

Ministry of Infrastructure

777 Bay Street, 4<sup>th</sup> Floor, Suite 425  
Toronto, Ontario M5G 2E5

Ministère de l'Infrastructure

777, rue Bay, 4 étage, Suite 425  
Toronto (Ontario) M5G 2E5



December 2021

File #: OCIF FC2-M-0352

David Milliner  
Chief Administrative Officer  
Township of Southgate  
185667 Grey Road 9, RR 1  
Dundalk, Ontario  
N0C 1B0

Dear David Milliner:

**RE: Ontario Community Infrastructure Fund Formula-Based Component Agreement Between Her Majesty the Queen in Right of Ontario The Corporation of the Township of Southgate effective November 9, 2016 (the “Agreement”)**

**IMPORTANT - This enclosed funding allocation should be kept confidential and should not be shared in any public forums (except for your municipal council) or communicated to the media. The Province will provide information and a date when the funding for all municipalities will be publicly communicated.**

Pursuant to section F1.2 of the Agreement, enclosed please find an Allocation Notice which sets out the amount of Funds the municipality named in the subject line of this letter is eligible to receive under the Agreement in the 2022 Funding Year. Subject to the terms and conditions of the Agreement, the Province will provide the Funds in accordance with section F2.1 of the Agreement. Capitalized terms used but not defined in this letter and the Revised Allocation Notice have the meanings ascribed to them in the Agreement.

Staff will be contacting you in the near future on reporting required to meet the conditions of the Agreement in respect of the amount of Funds received in 2021.

Redesign of the Ontario Community Infrastructure Fund (OCIF):

As you may be aware, the Ministry of Infrastructure procured a third-party consultant to review OCIF for potential enhancements. The consultant engaged with the municipal sector, including the Association of Municipalities Ontario, in its development of recommendations that informed the Ministry's redesign of OCIF.

I am pleased to advise you of the following changes to OCIF, which include changes reflected in your 2022 allocation as well as changes that will be reflected in 2023 allocation notices and future years:

*2022 OCIF allocations:*

- Increase OCIF funding by \$1 billion over the next five years (an additional \$200 million per year);
- Increase the minimum grant amount from \$50,000 to \$100,000; and
- Introduce a funding cap, which sets the funding maximum for any municipality to \$10 million, or 2.5 per cent of the total fund.

The above changes will address communities' needs to renew and rehabilitate their core infrastructure and better support small and medium-sized municipalities.

*2023 OCIF allocations:*

- Starting with the 2023 allocations, the formula will be calculated using forward-looking Current Replacement Values (CRVs) and CRV estimates to approximate requirements to maintain municipal core infrastructure assets, instead of closing cost balance values from the Financial Information Return.
- A smoothing mechanism will be implemented to limit year-over-year changes in funding to  $\pm 15$  percent of the previous year's allocation.

The above changes ensure that funding is targeted to address core infrastructure needs while also providing stability and certainty to recipients.

*2024 and onwards:*

- The Ministry of Infrastructure will begin working with partners across government to develop and implement a more standardized method of collecting CRVs and other data from asset management plans, and to minimize administrative burden. CRVs will be used to inform future OCIF allocations, and data from asset management plans will be used to gain insights on municipalities' level of asset management investments and the state of good repair across core infrastructure.

Should you have any questions regarding the above, please do not hesitate to contact your Project Analyst, Joseph Dubonnet, directly at 519-400-6184 or via email at [Joseph.Dubonnet@ontario.ca](mailto:Joseph.Dubonnet@ontario.ca).

Sincerely,

Trevor Fleck  
Director, Infrastructure Program Policy Branch

**Ontario Community Infrastructure Fund (OCIF)  
Formula-Based Component**

**Revised Allocation Notice**

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Ministry of Infrastructure

**The Corporation of the Township of Southgate**

**December 2021**

*Disponible en français*

**Ontario Community Infrastructure Fund (OCIF)**  
**Formula-Based Component- Revised Allocation Notice**

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**The Corporation of the Township of Southgate**

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**Formula-Based Funding Allocation**

The amount of Funds the municipality named on this Revised Allocation Notice is eligible to receive under the Agreement in the 2022 Funding Year is as follows:

2022 formula allocation	\$485,177.00
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**Terms and Conditions**

*The provision of Funds to the Recipient are subject to the terms and conditions of the Agreement.*